

Champions of Small BusinessSM

Search

Sign In | Join | About

Home Finance Resource Center 2011 AllBusiness AllStar Franchises Franchises for Sale Shop Legal Forms Small Business Blog Download Center

Starting a Business Operating Your Business Sales & Marketing Finance Human Resources Technology Business Library Resources



Related Topics:

[Private Labels](#) | [Radio, Television & Electronics Stores](#) | [Discount & Club Stores](#) | [Branding](#) | [Industry Analysts](#) | [Sales Figures](#) | [Company Revenues](#) | [CD & DVD Drives](#)

Best Buy's Own Brands Gaining Steam Insignia, Rocketfish, Dynex Retailer says strategy is just on low end and won't steal sales from the major brands

Powered by
 LexisNexis®

Publication: Investor's Business Daily

Date: Wednesday, May 27 2009

Presented by

EPSON Print Like x 1

Share: + More

Byline: PATRICK SEITZ

Best Buy store shelves hold [consumer electronics](#) products from Panasonic, Samsung and Sony -- and Dynex, Insignia and Rocketfish.

Those latter three names are lesser-known but close to the heart of Best Buy and increasingly popular with shoppers. They are private-label brands owned by Best Buy, the nation's No. 1 consumer electronics chain.

Best Buy has seen sales of its exclusive store brands rise rapidly thanks to low prices and innovative designs.

Best Buy's private-label sales rose more than 40% in its fiscal year ended Feb. 28. The company doesn't break out revenue figures for its private-label [business](#). Overall sales for the retailer last year rose 12% to \$45 billion.

Company executives and analysts say Best Buy's private-label business lets the retailer differentiate its offerings and get more profit than the company can get for comparable products from second-tier brands.

But Best Buy must walk a fine line in selling its own products and potentially competing with its name-brand partners, analysts say.

For now, Best Buy has opted to replace entry-level products from off-brands like Westinghouse and Polaroid with its own products, says Stephen Baker, an analyst at NPD Group.

"Best Buy has determined that they're better off offering exclusive products at those entry-level price points," Baker said.

With private-label brands, Best Buy is capturing more profit from those products at a time when price-conscious consumers are choosing more lower-priced goods, he says.

[Find Qualified Vendors for your Business](#)

In addition, make sure to read these articles:

- ▶ [Jump Start Your Business with a Dual Private-Label Partnership and Branded Strat...](#)
- ▶ [Don't Let Facebook Destroy Your Brand](#)
- ▶ [Your Favorite Technology Retailer: BestBuy or Wal-Mart](#)
- ▶ [Do You Win with a Low Price?](#)
- ▶ [Strategies for Luring Teens into the Retail Store](#)
- ▶ [Will the Mobile Phone Retail Experience Change?](#)
- ▶ [Desktop Computer Vendors and Their Product Lines](#)

More Related Topics:

Industries

Radio, Television & Electronics Stores, Discount & Club Stores, Industry Analysts, CD & DVD Drives, Portable Media Players, Flash Drives

Topics

Private Labels, Branding, Sales Figures, Company Revenues

Related Resources

Press Releases

NPD'S AccuPanel Spotlights National Brand Strengths; Combination of Retail ...

PORT WASHINGTON, N.Y. -- National brand customers will consistently buy more, spend more, shop more often, and pay higher prices than those customers who...

Drypers Corporation and Wal-mart International JoinForces to Market Diapers in S...

HOUSTON--(BUSINESS WIRE)--February 13, 1998--Drypers Corporation (Nasdaq: DYPR) and Wal-Mart International (NYSE: WMT) today announced that they have joined forces to develop the Cozies brand name,...

The Value/Premium Brand Dichotomy: IRI Research Finds Growth at Both Ends of the...

Shoppers are "Sophisticated Splurging" on Premium Brands in Tough Economy CHICAGO -- It is far from a surprise that shoppers of all demographics have flocked...

Blog Posts

Jump Start Your Business with a Dual Private-Label Partnership and Branded Strat...

You should be using partnerships early and often in your small business. Partnerships accelerate product development, increase market penetration, extend marketing efforts and infuse operating

Your Favorite Technology Retailer: BestBuy or Wal-Mart

Some of you are scratching your head and wondering how Wal-Mart could be seen as a "technology retailer" for small businesses. With the loss of

Do You Win with a Low Price?

Last night I heard Bill Rus of Venture Analytics speak to a group of product managers (SVPMA) about using research to get a product right

Videos & Podcasts

How to Use Your Competitors to Boost Your Income Level

Renowned business advisor David Finkel explains how your competition can actually help, instead of hinder your success.

Ads By Google

[Flat Screen TVs At Sears®](#)

Save On Flat Screen TV At Sears® Official Site.

Shop Now!

www.Sears.com/FlatScreenTV

AllBusiness Videos

What to Do When You Lose Computer Data

Interview with Brad Taylor, global director of IT for Moody's and former chief technology officer for Elegriy.

► [Watch More Videos](#)

Business Resources

- [Franchise Selector](#)
- [Find Qualified Vendors](#)
- [Business Cash Advance](#)
- [Jobs](#)
- [Free Business Magazines](#)

[Site Map](#) [Contact Us](#) [FAQs](#) [About Us](#) [RSS Directory](#) [Sign Up for Free Newsletters](#) [Disclosure Policy](#) [Media Kit](#)

Copyright © 1999 - 2010 AllBusiness.com, Inc. All rights reserved.

No part of this content or the data or information included therein may be reproduced,
republished or redistributed without the prior written consent of AllBusiness.com.

Use of this site is governed by our [Copyright and Intellectual Property Policy](#), [Terms of Use Agreement](#) and [Privacy Policy](#).

Copyright 2009 Investor's Business Daily, Inc.

© LexisNexis 2011

[LexisNexis Terms & Conditions](#) | [LexisNexis Privacy Policy](#)

Copyright © 2009 LexisNexis, a division of Reed Elsevier Inc. All rights reserved.

You may not repost, republish, reproduce, package and/or redistribute the content of this page,
in whole or in part, without the written permission of the copyright holder.

[Get In-Depth Company Information from Hoover's](#) | [What is in Your Company's D&B Credit Report?](#)

[View All D&B Sales & Marketing Solutions](#) | [Get Email Lists from D&B Professional Contacts](#) | [Build Mailing Lists from Zapdata](#) | [Company Profiles](#)

Information and opinions on AllBusiness.com solely represent the thoughts and opinions of the authors and are not endorsed by, or reflect the beliefs of,
AllBusiness.com, its parent company D&B, and its affiliates.

